

CONTRACT APPROVAL REQUEST

Promotion: WE FEST
Marlboro Sponsorship

Vendor: WE Fest, Inc.

Financial Impact: 1996 - \$25,000, \$15,000 due upon execution of contract, the balance of \$10,000 due on July 8, 1996
1995 - \$25,000

Project Manager: Jose Fontanez

Contract/Program Description:

The attached contract by Philip Morris USA covers the arrangements for participation in the WE Fest to be held on August 2-4, 1996 in Detroit Lakes, MN. This festival involves a booth, banners and signage. More than 100,000 people are expected to attend.

As the exclusive tobacco sponsor, Marlboro brand will have a major presence at this event through:

- A promotional booth, 20' x 22', and three kiosks positioned in an area to be mutually agreed upon;
- Hang banners and signage on and around the promotional booth and to display signage no larger than 4' x 6' on the inner wall enclosed the music area at the Event;
- Distribute coupons for free cigarettes or free cigarettes with the purchase of cigarettes and distribute branded incentive items among smokers twenty-one years of age or older;
- 40 complimentary passes for box seats in the stage area at the Event with free food and beverages and limited backstage access. 500 complimentary promotional single-day passes for the three days of the Event. 10 complimentary camping permits for the VIP area of the event and the quantity of parking passes reasonably requested;
- The right to four 8' x 8' signs on the Reader Board and 5 percent site areas; and,
- Recognition in advertising placed in connection with the event.

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Financial Elements:

This agreement covers Marlboro's arrangement with WE Fest, Inc. and the brand's presence at the event. The total sponsorship fee will be \$25,000, payable as stipulated above.

Vendor Selection:

WE Fest is one of the most popular events in Minnesota. In its thirteenth year of operation, the WE Fest allows name generation, pack sales, and signage opportunities. Section 45 strongly recommends our continued participation at this event and the Marlboro brand group sanctioned our participation, which will help further brand objectives throughout Minnesota.

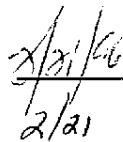
Budget Implications:

This sponsorship fee has been budgeted in our 1996 program.

Approvals:

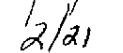
J. Fontanez




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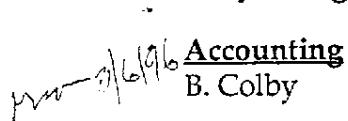
S. Sampson




2/21

I. Broeman

For your signature


2/21/96 Accounting
B. Colby


BC 2/21/96

Risk Management

L. Robertson



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